15th December 1954]

THE HON. SRI A. B. SHETTY :—" The Government have given such exemption to enable them to be registered as banks with limited liability subject to the condition that they raise funds only from among their members and not outsiders."

SRI M. NARAYANA KURUP :—" If outsiders including the District Bank are debarred from giving loans to this Bank, will not such a provision defeat the very purpose for which the Bank is formed? Will the Government, therefore, reconsider the position? "

THE HON. SRI A. B. SHETTY :—" I shall look into the matter."

SRI K. KUNHI MOHAMED SHAFEE :—" May I know the reason for the Government not complying with the request of the Bank? "

THE HON. SRI A. B. SHETTY :—" The exemption was given only on condition that the Bank should borrow from its members."

SRI K. C. GOPALAN UNNI :—" Is it not a fact that the Bank has already been granted a loan of Rs. 50,000 by the District Bank? "

THE HON. SRI A. B. SHETTY :—" It is by mistake that the Malabar District Co-operative Bank gave credit facilities to this Bank. The mistake was pointed out to the District Bank and it refused further credit."

SRI M. NARAYANA KURUP :—" If the District Co-operative Bank does not lend any money to this Urban Bank, may I know what is the purpose behind the Government in interfering with the working of the institution? "

THE HON. SRI A. B. SHETTY :—" There has been no interference, Sir."

Appointment of Executive Officer for the Perintalmanna Panchayat Board.

* 353 *Q.*—SRI K. P. GOPALAN : Will the Hon. the Minister for Local Administration be pleased to state—

(*a*) whether it is a fact that the Regional Inspector of Local Boards, Coimbatore, has reported to the Government that the Perintalmanna Panchayat Board, South Malabar, has no sufficient income for appointing an Executive Officer for the Panchayat Board, Perintalmanna; and

(*b*) if so, what action the Government have taken on the report?

THE HON. SRI S. S. RAMASAMY PADAYACHI :—" (a) No, Sir.

" (*b*) Does not arise."